

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 101ST GENERAL ASSEMBLY

BILL NO: **SB 2775**

February 10, 2020

SPONSOR (S): Hunter

SYSTEM(S): Chicago Teachers' Pension Fund

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**FISCAL IMPACT:** According to the pension fund, SB 2775 is purely a technical change meant to reflect current practice, and there is no discernible fiscal impact.

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**SUBJECT MATTER:** SB 2775 would amend the Chicago Teachers article of the Illinois Pension code to allow both employers of teachers and the board of the pension fund to make employee contributions (or “pick up” contributions) on behalf of their employees.

**COMMENT:** Under current law, employee contributions to CTPF can be paid, or “picked up,” by the Board of Education on the behalf of its employees. This allows the employees to make pre-tax contributions to the fund. The amount paid is not deducted from the salaries of these employees.

SB 2775 is a technical change that specifies that employee contributions can be picked-up by either the employer of the teacher, or the board of trustees of the pension fund, whichever is applicable.

RM:bs

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